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October 12, 2010

Letter sent via email.

The Honorable Pete Domenici
Co-Chairman
Blue Ribbon Commission
Reactor and Fuel Cycle Technology Subcommittee
Department of Energy
Washington, D.C. 20585-1000

Mr. Per Peterson
Co-Chairman
Blue Ribbon Commission
Reactor and Fuel Cycle Technology Subcommittee c/o
c/o Department of Energy
Washington, D.C. 20585-1000

Re: October 12 Meeting.

Dear Senator Domenici and Mr. Peterson:

The members of the Nuclear Waste Strategy Coalition (NWSC) are encouraged that the Blue Ribbon Commission Reactor and Fuel Cycle Technology Subcommittee, continues to hear from nuclear industry representatives, scientists and distinguished experts sharing their perspective and knowledge with regards to the future of reactor and fuel cycle technology, proliferation and security risks.

The NWSC is an ad hoc group of state utility regulators, state attorneys general, electric nuclear utilities and associate members representing 49 organizations in 32 states. The NWSC was formed in 1993 out of frustration at the lack of progress the Department of Energy (DOE) had made in developing a permanent repository for spent nuclear fuel (SNF) and high-level radioactive waste (HLRW), as well as Congress's failure to sufficiently fund the nuclear waste disposal program (Program) on an annual basis.

This Subcommittee's commitment is admirable in that it is trying to find solutions to reduce the 62,000 tons of SNF currently stranded at 121 sites in 39 states.

Advancing the recycling program in the U.S. would alleviate the problem of SNF and HLRW stranded at decommissioned, operating commercial plants, as well as DOE facilities. However, the recycling of spent fuel and interim storage facilities are not a substitute for a permanent repository.

As the Subcommittee is aware, SNF is not waste and most of which is recyclable. The U.S. invented the recycling technology from which other countries are now benefiting. We are still pondering whether we should recycle, when we should recycle, and the type of recycling technology that would be economic, be safe, protect the environment, and address security and non-proliferation concerns.

Since 1994, the NWSC has been advocating the removal of this Program from DOE and the protection of the ratepayers' fees paid into the Nuclear Waste Fund (NWF) through their electric bills. A recent study by the Massachusetts Institute of Technology also recommended the removal of this Program from DOE and the establishment of an independent quasi-government corporation, thus freeing it from politics and the annual appropriations cycle.

Until Congress amends the 1982 Nuclear Waste Policy Act, as amended, the NWSC continues to advocate that an effective Program should consist of a permanent repository at the Yucca Mountain site; an integrated transportation plan; and centralized interim facilities that advance and complement the permanent repository while addressing near-term needs. However, centralized interim storage is not a substitute for a permanent repository and should be considered as a short-term solution only. We further advocate consensus among the Federal government, state and local officials, stakeholders and local communities, as well as sustainable support for the siting and operation of such an interim storage and recycling facilities.

The Subcommittee should also take into its deliberations that:

- (a) The nation's ratepayers are paying more than \$770 million annually into the NWF. Ratepayers from 41 states have already paid more than \$34 billion, including interest, into the NWF for the removal of SNF and HLRW during this generation.
- (b) The Courts have already ruled that the Federal government is liable for the added storage costs resulting from the DOE's failure to remove SNF and HLRW by dates agreed to in the original contracts with nuclear electric utilities. The DOE already faces more than \$2 billion in court judgments and legal expenses resulting from the 1998 failure to meet its contractual and statutory obligations to remove SNF and HLRW from plant sites. The Department of Justice officials further estimate that current liabilities for 72 cases could reach \$13 billion, growing further by \$500 million for each additional year of delay. These liabilities are paid from the Judgment Fund.
- (c) The consequences of the Federal government's failure to construct a permanent repository is that ratepayers are paying up to four times for ongoing spent fuel storage and future disposal – and that does not include decommissioning funds:
 - (i) While the DOE is trying to withdraw with prejudice its license application from the Nuclear Regulatory Commission, the ratepayers continue to pay into the NWF for storage at the deep geologic repository.
 - (ii) Due to the 1998 delay, ratepayers have to pay through rates to expand and re-rack their existing cooling pools in order to accommodate more spent fuel.
 - (iii) The ratepayers are continuing to pay through rates to keep the spent fuel stored at the existing plant sites in dry cask storage.
 - (iv) All taxpayers – not just ratepayers – are paying through taxes for judgments and settlements through the Judgment Fund.

We should not continue to pass this problem on to future generations – action can and should be taken in the near term to address the nation's SNF and HLRW problem.

The members of the NWSC thank you for the opportunity to submit our input. We look forward to the opportunity to continue working with and providing further input to the Blue Ribbon Commission Reactor and Fuel Cycle Technology Subcommittee.

Respectfully yours,



David Wright
Commissioner, South Carolina Public Service Commission, and
Chairman, Nuclear Waste Strategy Coalition

C: Mr. Timothy A. Frazier, Blue Ribbon Commission, Department of Energy, Nuclear Energy.